# Chapter 15- Small IT Purchase Procedures

## Chapter highlights

 Purpose: This chapter defines small information technology (IT) and telecommunications purchase guidelines.

## Key points:

- Set asides are required for all procurements up to \$50,000 where competition exists.
- Reviewing statewide contracts available for IT or telecommunications goods and services allows agencies and institutions to determine if the technology product or service needed can be purchased through statewide contract.
- A quick quotes or RFP may be used for small purchases up to \$50,000.

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#### 15.0 Introduction

Virginia Information Technologies Agency (VITA) has procurement authority for all information technology (IT) and telecommunications goods and services for agencies and institutions unless specifically exempted by the *Code of Virginia*. See chapter 1 of this manual, Purpose and Scope insert link, for further information on VITA's authority, authority to delegate and exemptions.

An IT or telecommunications procurement is considered a small purchase when the aggregate or sum of all phases of the procurement is not expected to exceed \$50,000.

All executive branch agencies have delegated authority up to \$50,000 for IT and telecommunications goods and services that are out of scope to VITA. The delegated authority for IT and telecommunications goods and services that are in scope to VITA is subject to these guidelines:

- Agencies and non-exempt institutions of higher education that are not in scope to the Northrop Grumman partnership have \$50,000 delegated authority to procure IT and telecommunications goods and services on their own behalf.
- Agencies that are in scope to the Northrop Grumman partnership have \$0 delegated authority to procure in-scope IT and telecommunications goods and services on their on behalf.

Before performing a small dollar purchase for IT or telecommunications goods or services, agencies and institutions should search the IT and telecommunications statewide contracts available on VITA's Web site at <a href="Contract Search">Contract Search</a>. Reviewing the statewide contracts available allows agencies and institutions to determine if the technology product or service needed can be purchased through an existing statewide contract. At any time, an agency may

request that a small dollar technology purchase be procured on its behalf by VITA by completing and e-mailing the requisition form on VITA's Web site: VITA: How to Place an Order. Agencies and institutions shall utilize eVA for e-Mall, quick quote and catalog purchasing to meet the number of quotations ultimately required for each dollar threshold limit. As required by §2.2-4303(G) of the Code of Virginia, purchases that are expected to exceed \$30,000 shall require the written informal solicitation of a minimum of four bidders or offerors. eVA's functionality can provide the needed minimum written quotes required by §2.2-4303 (G). Agencies and institutions may also utilize eVA's e-Mall, quick-quote, catalog purchasing functionality as well as DMBE's Web site for solicitations where the transaction is between \$30,000 and the dollar limit (\$50,000).

### 15.1 Competitive requirements

The following competitive requirements shall be followed for all small IT purchases, regardless of delegation:

# 15.1.1 Small purchases (below \$5,000)

The Virginia Public Procurement Act (VPPA) permits a public body to establish small purchase procedures, if adopted in writing, not requiring the use of competitive sealed bidding or competitive negotiation for single or term contracts, if the aggregate or sum of all phases is not expected to exceed \$50,000. Such small purchase procedures shall provide for competition wherever practicable (*Code of Virginia*, 2.2-4303(G). The following small purchase procedures are established by VITA for use by state agencies and non-exempt institutions of higher education when acquiring IT and telecommunications goods and services under \$50,000. Procurements made pursuant to these procedures do not require public bid openings or newspaper advertising of competitively negotiated procurements.

Quotes for all IT and telecommunications goods and services estimated to be \$5,000 or less shall be solicited from a minimum of one (1) DMBE-certified small business. Additional small business sources may also be solicited; however, IT and telecommunications purchases of \$5,000 or less are set aside for small business participation. If more than one quote is solicited, the award is made to the lowest responsive and responsible DMBE-certified small business bidder. Quotes may be obtained by phone or fax or through the eVA eMall for a minimum of one (1) DMBE-certified small business. A record of the quotation must be kept with the file. If a telephone quote is solicited, a record shall be kept of the name and address of the supplier(s) contacted, the item description or service offered, price quoted, delivery dates and F.O.B. point, names of persons giving and receiving the prices and the date the information was obtained. If the price quote from the one (1) DMBE-certified small business is not considered fair and reasonable, the agency or institution may consider seeking competition.

# 15.1.2 Procurements over \$5,000 to \$50,000

Procurements over \$5,000 and up to \$50,000 shall be set aside exclusively for DMBE-certified small business participation if competition exists. Agencies should use <a href="eVA">eVA</a>'s quick quotes to solicit quotes for commodity-type items where price is the determining factor; however, agencies may elect to use the RFP method of procurement. Agencies and institutions who utilize eVA's quick quotes shall solicit quotes from a least four (4) valid sources, including a minimum of two (2) DMBE-certified small businesses. Any appropriate special terms and conditions must be stated in or attached to the quick quote. Award shall be made to the lowest responsive and responsible DMBE-certified small business bidder. If competition does exist for the IT good or service valued under \$50,000, then the file shall be documented with the efforts made to obtain the number of required sources. Business Opportunities (VBO) (Solicitations and Awards) advertising is not required for quick quotes under \$50,000.